4. Sinkiang

Industrial development in Sinkiang is perhaps the fastest in the entire Northwest. As early as 1950, four Sino-Soviet joint-stock companies were established in Urumchi, of which three were industrial plants. They were: (1) Sino-Soviet Nonferrous Metals Company, (2) Sino-Soviet Rare Metals Company, (3) Sino-Soviet Petroleum Company and (4) Sino- Soviet Airlines. All the Soviet stocks were reportedly transferred to China at the end of 1954, but the Soviet technicians have remained there to help train the Chinese workers.

After the Communists took over, the Sinkiang Petroleum Company has been greatly expanded. Its crude oil output in 1955 is said to have been sixty-three percent higher than in 1954, and deep testing wells were being sunk in five new districts in the Gobi Desert to investigate their oil reserves. The five districts are located in the Turfan and Dzungaria Basins in the Sinkiang-Uighur Autonomous Region.

Another important industrial plant in Sinkiang is the July First Cotton Mill, which began production in 1952. In early 1955, 16,500 spindles and 600 looms were added, which will double the mill's cloth output. The total number of spindles was then over 30,000 and of looms, one thousand. This is the first modern textile mill built in Sinkiang, and it supplies the thirteen nationalities there with a rich variety of fabrics manufactured from the cotton grown in the province itself.

According to the province's initial plans, the investment in capital construction during 1955 is to be increased by over sixty percent as compared with 1954. A total of twelve construction jobs are to be newly built or rebuilt. Preparations are under way for these works. Among the new projects are a modern cement factory, a sulphuric acid factory, a small hydraulic power plant and an oil pressing mill. The cement factory was expected to have its first stage of construction completed in 1956. When completed, this factory will save the state a total of ten million yuan each year in the cost of transporting cement from China Proper. When the sulphuric acid factory starts production, it will supply all the raw material needed for printing and dyeing works by the July First Cotton Mill.

The eight units to be rebuilt in 1955 include the Liu-tao-wan Colliery, the Sinkiang Machine Works, the Ceramic Factory, and the First Cement Factory. When the underground tunnel of the Liu-tao-wan Colliery is rebuilt, it will be possible to produce more coal for the industries and local residents of Urumchi. The output of modern farming tools will be increased when the Sinkiang Machine Works is rebuilt. After a set of automatic equipment is added to the glass workshop of the Ceramic Factory, there will be nineteen additional kinds of new products to supply the market.